

1 Q. Has Hydro contacted potential manufacturers/suppliers to discuss the availability of the
2 materials and contract labour required to complete the requested 2021 projects? If yes, please
3 discuss. If no, please explain why not?
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6 A. Newfoundland and Labrador Hydro (“Hydro”) develops the individual project estimates and
7 reports prior to the submission of its annual Capital Budget Application to the Board of
8 Commissioners of Public Utilities in August of each year. Over the past number of years all
9 estimates for projects are finalized in early spring and are, therefore, completed a full year prior
10 to the execution year. Budgetary estimates and preliminary schedules are developed by
11 contacting vendors and contractors or by bench marking from previously executed projects.
12 During the estimating phase some projects are identified as requiring a multi-year schedule to
13 accommodate for longer lead times. As the estimate was produced a full year prior to execution,
14 upon approval of a capital project the execution team would then contact vendors to confirm
15 previously estimated lead times and costs. If there are any changes to the equipment lead times
16 or contract labour availability, the project schedule is updated and communicated accordingly to
17 reflect this change.